Exhibit L

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO**

SENT VIA ELECTRONIC MAIL

January 18, 2017

Honorable Ricardo A. Rosselló Nevares
Governor of Puerto Rico
La Fortaleza
PO Box 9020082
San Juan, PR 00902-0082

Dear Governor Rosselló Nevares:

Thank you for your letter of January 12, 2017 outlining the actions your Administration has taken in its first days in office and for Mr. Sánchez-Sifonte's January 4, 2017 letter in response to our letter of December 20, 2016. We appreciate the degree of alignment between your Administration's public policy platform and the policy guidelines outlined in our letter, as evidenced in your correspondence.

Thank you also for the opportunity to meet with you last Friday, January 13, in your office. As discussed at that meeting, the purpose of this letter is to provide you with more detailed information on the specific goals and objectives that we believe ought to be incorporated into a viable fiscal plan that we may certify, as well as to provide the fiscal parameters for that plan. We also would like to inform you of our preliminary determination regarding your request for an extension of both the time in which to submit the fiscal plan and the stay provided for under PROMESA.

As you are aware, and as we stated in our last letter, the Government of Puerto Rico faces a daunting fiscal challenge. The revised fiscal plan baseline released by the prior administration estimated that, unless significant fiscal and structural measures are implemented, the Government will have an **annual average fiscal gap of $7.0 billion** from fiscal year 2019 to fiscal year 2026.

Verifying this number is a priority for us, and we understand it is an immediate priority for your Administration as well. In the coming days, we expect to complete the engagement of a forensic accounting firm to: (1) validate the bridge between the Commonwealth's last audited financial statements as of June 30, 2014 and the fiscal plan, and (2) provide an independent report on the total outstanding indebtedness for the Commonwealth by issuer, list of all debt issues by issuer, use of proceeds of each debt issuance, contractual debt service schedule and debt service currently in default.

Based on our review, however, we believe the $7.0 billion figure is a reasonable estimate for setting the fiscal plan's targets and guidelines and as a parameter to engage in Title VI negotiations with the Commonwealth's creditors.

FISCAL PLAN TARGETS AND GUIDELINES

At the outset, we find it appropriate to remind you that at its November 18, 2016 public meeting here in Puerto Rico, the Oversight Board adopted and communicated publicly a set of five principles to evaluate the Government of Puerto Rico's proposed fiscal plan and to assess the degree to which the plan meets the 14 criteria established by PROMESA. This set of five principles adopted by the Oversight Board and the 14 criteria established by PROMESA regarding the elaboration of the fiscal plan are set forth in Schedule I to this letter.

We believe the fiscal plan must target a structurally **balanced budget by fiscal year 2019** and must articulate a clear path to achieving that goal, while simultaneously pursuing restoration of Puerto Rico's access to the capital markets. In accordance with PROMESA, the fiscal plan must ensure funding of essential government services, provide adequate funding for pension systems and provide capital expenditures and investments necessary to promote economic growth in Puerto Rico.

We expect that the fiscal plan will also contain aspirational goals for Puerto Rico and its people—such as returning the Island to a path of economic growth and bettering the lives of its people—as well as the reforms that you will be undertaking to achieve those goals.

With these guidelines in mind, and focusing on the objective of aligning recurring revenues and expenditures by fiscal year 2019, below we outline a path to achieve this goal with a mix of fiscal initiatives and structural reform proposals. Both components are equally important to foster growth: while fiscal initiatives optimize government revenue and expenditures to create a positive fiscal balance that attracts investment, structural reforms represent longer-term changes that ensure Puerto Rico will regain economic growth for decades to come.

That path requires action in at least five principal areas: 1) revenue enhancements; 2) government right-sizing, efficiency and reduction; 3) reducing health care spending; 4) reducing higher education spending; and 5) pension reform, as summarized in the following table.

$ in billions	**FY 2019 Fiscal Gap**		
Total Baseline Revenues[1]	$15.4		
Total Non-Debt Service Expenses[2]	-19.1		
Primary Balance before Debt Service and Measures	**-3.7**		
Contractual Debt Service	-3.9		
Fiscal Gap	**-7.6**		
Proposed Impact of Fiscal Measures		**Measures ($)**	**% change to Baseline[3]**
1. Revenue Enhancements[4]		+$1.5	+15%
2. Government Right-sizing, Efficiency and Reduction[5]		+1.5	-22%
3. Reducing Health Care Spending[6]		+1.0	-28%
4. Reducing Higher Education Spending		+0.3	-27%
5. Pension Reform		+0.2	-10%
Impact of Fiscal Measures[7]		**+$4.5**	
Implied Primary Surplus after Measures Available for Debt Service[8]	**$0.8**		

Notes:
1. Source is Government baseline released in December. Assumes GNP contraction of 16.2% in fiscal year 2018 and 1.2% in fiscal year 2019 in real terms. Includes $9.8 billion of non-federal revenue.
2. Includes $13.5 billion of non-federal expenditure.
3. % increase or decrease versus baseline forecasts for each area.
4. Includes Act 154 extension and review of tax regime for Act 154 companies, improve tax compliance and right-sizing of government fees and other sources of revenue.
5. Includes reducing non-essential government services through consolidation and headcount reduction, reducing total government compensation, right-sizing K-12 education expenditures to the current student population, eliminating subsidies to municipalities and private sector and introducing other efficiency measures. This target is net of impact from potential increased pension cost from government headcount reduction and social security expenditure for police and teachers not included in baseline projections.
6. Includes miSalud expenditures and other non-federal expenditures for healthcare related agencies.
7. Implies a 15% net revenue increase from baseline non-federal revenue of $9.8 billion and a 22% net expenditure reduction from baseline non-federal expenditure of $13.5 billion.
8. The implied primary surplus is based on aligning ongoing revenues and expenditures for fiscal year 2019. It does not reflect likely carry-in deficits and thus may overstate available resources in fiscal year 2019.

See Attachment A for more details.

Please note that even with the immediate successful implementation of these measures the **Implied Primary Surplus Available for Debt Service on fiscal year 2019—before taking into account any legacy deficits**—is **$0.8 billion**, which represents only 21% of the contractual debt service of $3.9 billion for fiscal year 2019.[1]

To be totally transparent and with the aim of certifying a fiscal plan as quickly as possible, we lay out below in more detail the set of initiatives and accompanying revenue and savings targets that we expect the Government's fiscal plan to incorporate in order **to achieve a structurally balanced budget by fiscal year 2019,** which will accomplish PROMESA's objective of balancing the Government's budget. The proposed initiatives also include, however, structural reforms that will set up the Puerto Rican economy for long-term growth.

These recommendations are based on our collective experience with fiscal crises and analyses conducted by our advisors. To be clear, presenting a plan that can achieve at least this level of savings is a pre-requisite to certifying a fiscal plan. The Government may, however, determine to employ other initiatives and make trade-offs that differ from those described below, but arrive at a similar equilibrium.

1. Revenue Enhancements

To optimize revenue, the Government should make adjustments to the tax system, improve tax administration and compliance, and right-size government fees, among other revenue enhancement measures. The Government should design a tax regime that:

- Increases compliance through improved audit functions and systematically addresses leakage in the form of non-compliance and evasion.
- Widens the taxable base through a reduction in exemptions.
- Improves property tax collection through reappraisals and property registration efforts (and lowers municipal subsidies accordingly).
- Enhances tax administration through improved training and technology and reduced amnesties.

Together, we expect these initiatives to **increase government revenues by $1.5 billion annually by fiscal year 2019**. This estimate incorporates your Administration's Act 154 extension and assumes a prospective review of the tax regime for Act 154 companies.

[1] In this letter, the Board takes no position on the outcome of the GO-COFINA dispute, and recognizes any restructuring will have to reflect a consensual or judicial resolution of that dispute. Any certified fiscal plan will contemplate fulfilling all of PROMESA's requirements, including those relating to essential services, pensions, secured claims, and priorities. This letter is not intended to imply how funds will be allocated to satisfy those requirements.

2. Government Right-sizing, Efficiency and Reduction

Today, the Government directly provides and subsidizes many services, including security, transportation, and other activities that could be provided by the private sector. The Government has the opportunity to provide some services more efficiently and eliminate some services entirely, while maintaining an adequate level of essential services. Overall, we have estimated that government right-sizing, efficiency and reduction should generate approximately **$1.5 billion annually by fiscal year 2019**.

To realize these net savings, the Government should consider taking the following actions:

- Reducing non-personnel expenditure by at least 10% by re-negotiating large contracts, centralizing purchasing, and implementing other procurement best practices, such as clean sheeting and demand management, among others.
- Reducing payroll costs by approximately 30% by substantially eliminating positions and making other reductions to total public labor compensation, including consolidating and significantly reducing non-essential Government services.
- Eliminating municipal and private sector subsidies.
- Right-sizing K-12 education expenditures to the current student population.

From your executive orders declaring a fiscal emergency, imposing salary freezes, limiting the number of non-career personnel and other labor cost reductions and requiring agencies to build zero-based budgets, it appears that your administration shares this priority. Indeed, we would welcome further detail on the projected expenditure savings of your executive orders. Yet, we must be candid and stress that, to get closer to fiscal balance, a lot more will need to be done beyond the measures already adopted by your Administration.

3. Reducing Health Care Spending

MiSalud is a critical element of Puerto Rico's safety net and is fundamental to the stability of the health care delivery system. However, like other states and many businesses, the government of Puerto Rico has been challenged by rapidly rising health care costs that far outpace realistic revenue growth. The size of Puerto Rico's fiscal challenge, the loss of federal Medicaid funds and the fundamental imbalance between the growth in health spending and achievable revenue growth, makes significant reductions in health care spending necessary.

In fact, unless additional federal funding is provided after the expiration of funding under the Affordable Care Act, miSALUD will face a ballooning operating deficit expected to reach at least $1.0 billion in 2020. While the Oversight Board supports initiatives to seek additional federal healthcare funding, we do not believe that at this time it would be a prudent budgetary practice to include in the fiscal plan any such potential additional federal healthcare funding. Therefore, the Board believes the Government of Puerto Rico should include measures in the fiscal plan that would **generate annual savings in health care spending of $1.0 billion by fiscal year 2019**, such as implementing:

- A set of initiatives to increase efficiencies, which may include measures to reduce utilization / shift care to a lower cost setting, enhance fraud waste and abuse program, and optimize state-owned provider footprint.
- Additional significant cuts in coverage and benefits through miSALUD, and/or other health spending will be needed to yield additional savings.

4. Reducing Higher Education Spending

The University of Puerto Rico is one of the island's most important and revered assets, known for its high-quality programs and commitment to access for all students. However, there is an opportunity to increase tuition and reduce costs without compromising UPR's mission of providing equal access to all students or its quality of education.

The Government can **realize approximately $0.3 billion in annual savings** from reduced subsidies to UPR by:

- Moving to means-based tuition via higher per class credit prices, complemented by a more extensive use of federal government financial aid.
- Increasing the number of higher-paying international and mainland U.S. students, alumni gifts and federal grant funding.
- Right-sizing faculty and administrative staff, and reducing operating and maintenance costs.

5. Pension Reform

It is our goal that the Government pension plans become financially sustainable and that any pension reform protect the neediest and impose larger cuts on those with the largest benefits. Given the deep spending cuts and sacrifices required in all other areas of Government, we consider a reduction of approximately **10% in pension costs and related expenses may be necessary**, for savings of **$0.2 billion by fiscal year 2019**. The Oversight Board encourages a consensual approach to pension reforms which may involve new payment sources and mechanisms. We also propose the following actions:

- Enroll public safety and education employees in the Social Security system to provide them with diversified sources of retirement income.
- Segregate future contributions in accounts owned by employees to ensure employees' contributions will be available to pay their future retirement.

In addition to the five areas outlined above, it would be important for the fiscal plan to include measures to improve capital efficiency and other structural reforms, as described below.

Improving Capital Efficiency

There is a substantial opportunity to improve Puerto Rico's infrastructure. The World Economic Forum ranks the island's infrastructure quality below a 5.0, which puts it in the bottom third of jurisdictions reviewed, and below jurisdictions with a similar per capita income.

Additional investments to ensure that Puerto Rico's infrastructure catches up to the global median may be required and may be funded by one-time asset sales or similar means.

Specifically, we encourage the government to adopt the following measures:

- Increase focus on priority projects that directly support economic growth in Puerto Rico.
- Improve maintenance and delivery efficiency and optimize capital spending.
- Focus on using Public-Private Partnerships (P3s).

Two of your administration's new executive orders, establishing an infrastructure state of emergency to accelerate permitting and an interagency committee to coordinate the same, give us confidence you are prioritizing infrastructure development. Your letter announced you had introduced amendments to the P3 law to, among other things, allow private entities to propose P3 transactions and allow public employees' retirement systems to invest and participate in P3 agreements, which amendments were recently enacted. Clearly, we are aligned on placing a high priority on infrastructure. We look forward to working together to identify the best measures to achieve that shared goal.

Structural Reforms

As mentioned earlier, a main objective of the fiscal plan is to create a pro-growth environment in Puerto Rico. In addition to the labor reform that your Administration has already proposed, we want to highlight two key structural reforms needed to accomplish this goal:

- Energy reform that catalyzes third party investment, accelerates the permitting process and right-sizes power supply to actual trends in power demand. [2]

- Improve ease of doing business in Puerto Rico by optimizing the permitting process and improving coordination with the federal government.

The measures listed above make up one ambitious but viable proposal. The Board welcomes the prospect of your Government's role in the development of a fiscal plan and remains prepared to certify a fiscal plan that it deems sustainable and workable according to PROMESA and the guidance described above. We also welcome the opportunity to work with your Administration

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[2] The Board has reviewed, but has not taken a position on the PREPA restructuring support agreement (the "RSA"), in deference to your Administration's statement that it will promptly be providing its policy decisions concerning PREPA's business model, board of directors, and the RSA.

to develop and implement the necessary reforms and the terms of the debt restructuring that will allow Puerto Rico to achieve fiscal balance and regain access to credit markets at reasonable interest rates. The Board is providing you with the fiscal framework, and within such framework we expect that you and your Administration will make the public policy determinations consistent with PROMESA.

EXTENSION TO SUBMIT FISCAL PLAN

As described above, we welcome a collaborative approach with the Government in arriving at a workable and sustainable fiscal plan the Board can certify. As per your request, the Board is favorably inclined to extend the deadline for submitting your fiscal plan to the Board until **February 28, 2017** such that the Board may certify the fiscal plan by no later than **March 15, 2017**. This extension will be formally considered at the Board's next public meeting later this month and would be contingent upon the Government meeting and adhering to a set of conditions and timelines, including:

- Your commitment to working towards a "once and done" approach that achieves structural balance, with no discussion or consideration of short-term liquidity loans or near-term financings that could restrict fiscal options.

- Development and implementation of a liquidity plan that addresses anticipated cash shortfalls at least through the duration of the stay in a manner that is acceptable to the Board by no later than January 30th including the Government's protocol for priority of payments and its public disclosure.
- Visibility on the cash position of the Government is critical, and to that end a 13-week rolling cash flow forecasting report for substantially all government budgets should be put in place and delivered to the Board within two weeks and weekly thereafter.
- To facilitate the forensic accounting review, the Government should deliver to the Board by January 25, 2017 a document detailing the bridge between the 2014 audited financial statements and the fiscal plan baseline scenario that includes details on all line items and assumptions.
- The Government will adhere to a schedule of important milestones (including the above) to be provided by the Board by January 23, 2017.
- The Government and the Board (and their advisors) will establish a clear joint working arrangement, information sharing protocol and work plan to be finalized by January 23, 2017. (Our advisor McKinsey and AAFAF are already working on these.)
- Title VI negotiations conducted by your Administration will be in joint coordination with the Board and its advisors, including the participation of the Board and its advisors in all meeting with creditors. Likewise, the Board will invite your representatives and advisors to participate in any meetings with creditors the Board holds pursuant to its rights and duties under PROMESA.

EXTENSION OF THE STAY

Furthermore, as per your request, the Board is favorably inclined, in accordance with PROMESA, to extend the PROMESA automatic stay until **May 1, 2017**. We understand that extending the stay enables your Administration to develop a sustainable and workable fiscal plan and engage in Title VI negotiations with creditors.[3] This extension will also be formally considered at the Board's next public meeting later this month and would be contingent upon the Government meeting and adhering to the set of conditions and timelines listed above.

RESTRUCTURING PROCESS

Starting with meetings that occurred before you took office, we have advised all creditors requesting meetings that the Board is in a "listen and learn" mode. Since you took office, we have invited your representatives to every meeting. We have not made or responded to any offers. To date, the meetings have been very constructive on that basis.

Now that you are in office, our intention is to support and collaborate with your Administration's leadership in on-going restructuring conversations. Because PROMESA does not allow for any restructurings not approved by the Board, we believe close coordination is the most efficient way to conduct these conversations and to ensure negotiated agreements conform with the fiscal plan. This means creditors will want to know the Board's position during negotiations so that any agreement reached doesn't have to be later renegotiated.

Accordingly, the Board is willing to engage in these discussions alongside your representatives. We believe we will deliver a better restructuring for Puerto Rico if we work together. To that end, we would like to establish a clear timeline, and work plan for the Board, the Government and their respective advisors by January 20th.

PATH FORWARD

As implied above, we believe working together to develop a fiscal plan and a debt restructuring process will provide us with the highest chances of successfully addressing Puerto Rico's fiscal crisis. That said, nothing contained in this letter should be construed as waiving any right the Oversight Board has, or limiting any action the Oversight Board might take, under PROMESA.

On the fiscal plan, we recommend that your Administration, as the duly-elected Government of Puerto Rico, formulate the required policy decisions adhering to the guidance laid out above. To facilitate the timely certification of the fiscal plan, we are providing you in Attachment B the Board's guidelines as to the content and structure of the fiscal plan. The Board will use its own financial model and assumptions (including macro-economic assumptions), and will work in close coordination with your designated high-level taskforce. As per our December 20, 2016

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[3] We are encouraged by your administration's swift efforts to renew negotiations with creditor constituencies which began under the prior administration and did not result in a successful resolution of the differences among the parties.

letter, we await your formal designation of such high-level taskforce and your response to our recommendation that your Administration makes the fiscal plan and implementing the reforms and initiatives included in it a stated priority for all new appointees and Government employees.

We commend you on your sense of urgency, as we all agree that time is of the essence, and look forward to continuing our productive working relationship with you and your Administration.

José B. Carrión
Chair

Andrew G. Biggs
Carlos M. García
Arthur J. González
José R. González
Ana J. Matosantos
David A. Skeel, Jr.

C: Elías F. Sánchez-Sifonte

Attachments

SCHEDULE I

FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO

At its November 18, 2016 public meeting, the Financial Oversight and Management Board for Puerto Rico adopted the following principles to evaluate the Government of Puerto Rico's proposed fiscal plan and assess the degree to which the plan meets the 14 criteria established by PROMESA (see attachment). These five principles are:

> Principle 1: The long-term fiscal plan must cover at least the next 10 fiscal years with meaningful progress in the next five and meet the standards set forth in the law (the 14 criteria). The fiscal plan should aim to meet the statutory criteria for the Board to be terminated within 10 years, which includes having adequate market access at reasonable rates and having at least four consecutive years of balanced budgets in accordance with modified accrual accounting standards.
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> Principle 2: The fiscal plan must work to stabilize the current economic situation, increase the economy's resilience, shore up public finances, support long-term, durable growth, meet basic needs of the citizenry, and restore opportunity for the people of Puerto Rico.
>
> Principle 3: To properly establish an accurate assessment of the fiscal outlook, the base-case scenario within the fiscal plan must assume no additional federal support beyond that which is already established by law (e.g., no Affordable Care Act support extension) and no reliance on unsustainable Act 154 revenues in light of the expiration of said act. Initiatives included in the fiscal plan must be based on applicable laws or specific bills that require enactment in order to reasonably achieve the projections of the fiscal plan.
>
> Principle 4: The plan must include an appropriate mix of structural reform, fiscal adjustment, and debt restructuring. It must be informed by the relevant analytical tools (e.g., a debt sustainability analysis and a detailed economic projection) that assure the Board that the GPR is pursuing a comprehensive approach to address acute economic, budgetary, and demographic challenges.
>
> Principle 5: The fiscal plan must be accompanied by relevant operational plans that show how the GPR will achieve the changes and reforms it proposes.

PROMESA 14 CRITERIA FOR FISCAL PLANS

Section 201(b) of PROMESA identifies 14 specific components and objectives a fiscal plan should address. In particular, PROMESA stipulates that the fiscal plan must provide a method to achieve fiscal responsibility and access to the capital markets, in addition to the following:

1. Provide for estimates of revenues and expenditures in conformance with agreed accounting standards and be based on (i) applicable laws; or (ii) specific bills that require enactment in order to reasonably achieve the projections of the fiscal plan;

2. Ensure the funding of essential public services;

3. Provide adequate funding for public pension systems;

4. Provide for the elimination of structural deficits;

5. For fiscal years in which a stay is not effective, provide for a debt burden that is sustainable;

6. Improve fiscal governance, accountability, and internal controls;

7. Enable the achievement of fiscal targets;

8. Create independent forecasts of revenue for the period covered by the fiscal plan;

9. Include a debt sustainability analysis;

10. Provide for capital expenditures and investments necessary to promote economic growth;

11. Adopt appropriate recommendations submitted by the Oversight Board;

12. Include such additional information as the Oversight Board deems necessary;

13. Ensure that assets, funds, or resources of a territorial instrumentality are not loaned to, transferred to, or otherwise used for the benefit of a covered territory or another covered territorial instrumentality of a covered territory, unless permitted; and

14. Respect the relative lawful priorities or lawful liens in the constitution, other laws, or agreements of a covered territory or covered territorial instrumentality in effect prior to the enactment of PROMESA.

Attachment A

Fiscal Initiatives Description and Sizing

Revenue area
Expenditure area

PRELIMINARY
NON-EXHAUSTIVE

Initiative name		2019 current baseline budget item (% of total)	Description	2019 fiscal impact	% change to baseline
Revenue Enhancements		$9.8B (100%)	Bring taxes to appropriate levels and right price fees / special taxes: ▪ Act 154 extension and review of tax regime for Act 154 companies ▪ Improve tax compliance ▪ Right-size government fees and other sources of revenue (e.g. excise taxes and tolls)	▪ $1.5B	▪ 15%
Total non-federal revenue[1]		$9.8B			
Right-size Gov't and Efficiency[3]	Personnel	~$3.9B (29%)	▪ Reduce non-essential services through consolidation and headcount reduction ▪ Reduce total compensation	▪ $0.9B[5]	▪ ~(23%)[5]
	Subsidies	$0.4B (3%)	▪ Eliminate subsidies to municipalities upon revision of property tax regime and eliminate private subsidies to private sector	▪ $0.4B	▪ (100%)
	Other operating expenditure	~$2.4B (18%)	▪ Centralize procurement to save at least 10% (average across categories) on goods and services	▪ $0.2B	▪ ~(10%)
Reducing Health Care Spending		$3.6B[2] (27%)	Address loss of federal ACA funding and reduce overall healthcare spend: ▪ Increase cost sharing, reduce utilization / shift care to lower cost setting, optimize procurement, address fraud, waste and abuse, and optimize state-owned provider footprint ▪ Additional cuts required in coverage and benefits through Mi Salud, and/or other health spend	▪ $1.0B	▪ (28%)
Reducing Higher Education Spending		$1.0B (7%)	Reduce government outlays to UPR by increasing revenue and reducing costs: ▪ Raise tuition and adopt means-based financial support ▪ Reduce operating costs by raising faculty- and admin-to-student ratios ▪ Implement additional initiatives, including increasing number of higher-paying international / mainland U.S. students, optimizing procurement, alumni gifts and federal grant funding	▪ $0.3B	▪ (27%)
Pension Reform		$2.1B (16%)	▪ Total pension costs to be reduced by 10% (can be done in a progressive way)	▪ $0.2B	▪ (10%)
Total non-federal expenditure[4]		$13.5B			

1 Excludes PREPA and PRASA and includes ($1.3B) assumed effect of economic contraction
2 Includes Mi Salud expenditure and other non-federal expenditures for healthcare-related agencies.
3 Baseline includes all other non-federal spend excluding PREPA, PRASA, healthcare and UPR spend categories (e.g., education, public safety).
4 Figure may be understated as it includes multiple public corporations and funds are shown 'net' (therefore may not reflect total revenue/expense baseline).
5 Net of impact from increased pension and social security expenditure due to personnel reductions not included in baseline projections

Attachment B

Fiscal Plan Table of Contents

(Subject to the appropriate allocation of responsibilities and resources between the Govt. of PR and the Oversight Board)

Overview		▪ Clarify objectives of the plan – to outline the guideposts for achieving fiscal health / return to capital markets and a detailed path to the aspiration for Puerto Rico
Vision for PR		▪ Describe the aspirational vision for Puerto Rico in 5 and 10 years from now that provides a growing economic environment and improves the lives of people in Puerto Rico
Outlook		▪ Present the baseline released in December 2016, as updated, including the bridge between 2014 audited financial statements and fiscal plan, and economic projections and assumptions
Reform areas	Overview	▪ Outline fiscal balance targets and amount available for debt service
	Revenue enhancement	▪ Adjustments to tax system, improve tax compliance and right-price fees
	Right-size gov't / efficiency	▪ Reduce expenditures on public labor, procurement and subsidies
	Reducing healthcare spending	▪ Reduce spend with efficiency initiatives and cuts in Mi Salud coverage benefits
	Reducing higher education spending	▪ Increase tuition revenue, cut operating costs, and implement strategic initiatives
	Structural reforms	▪ Introduce legislation to kick-start economic growth and improve quality of live
Financial control reforms		▪ Define a timeline for providing audited statements ▪ Create visibility into Government's liquidity situation and take actions to ensure that funding remains available for critical services ▪ Create plans for improving financial oversight, controls, reporting, systems and processes
Implementation		▪ Outline high-level plan for how Government will implement fiscal plan reforms ▪ Provide timelines for detailed implementation plans
Long-term liabilities		▪ Describe proposed reforms for pensions, future obligations and expansion of social security ▪ Define principles for restructuring process and amount available for debt service, including debt sustainability analysis
Appendices		▪ Assumption detail for: – Baseline projection (revenue, expenditure, debt obligations) – Fiscal plan (effect of measures on primary balance, economic growth, market access, interest rates, public debt)